## SHB 1490 - H AMD 292 By Representative Nelson

- 1 Strike everything after the enacting clause and insert the 2 following:
- "NEW SECTION. Sec. 1. (1) The legislature recognizes that land 3 4 use and transportation decisions can significantly affect the emissions 5 levels of greenhouse gases. Thoughtful and deliberate planning actions 6 that consider the relationship between land use and transportation, 7 while also being mindful of associated impacts upon affordable housing 8 both challenging essential. are and Furthermore, 9 legislature recognizes that, in addition to responding to present day emissions issues, it must be equally dedicated to enacting broad, 10 11 prospective strategies. In doing so, the legislature will better 12 enable current Washingtonians and future generations to enjoy the 13 dividends resulting from fewer greenhouse gas emissions, and healthy, 14 economically vibrant communities.
- 15 (2) In recognition of the importance of reducing greenhouse gas 16 emissions through land use and transportation requirements, and the resulting implementation actions of counties, cities, and others, the 17 18 legislature intends to establish new land use and transportation provisions, while simultaneously granting certain jurisdictions two 19 20 additional years to meet existing planning requirements. 21 jurisdictions with the earliest pending review and revision deadlines 22 under the growth management act two additional years to comply with 23 these obligations, the legislature intends to promote the successful implementation of initial efforts to reduce greenhouse gas emissions 24 25 through comprehensive planning actions.
- 26 **Sec. 2.** RCW 36.70A.020 and 2002 c 154 s 1 are each amended to read 27 as follows:
- The following goals are adopted to guide the development and adoption of comprehensive plans and development regulations of those

counties and cities that are required or choose to plan under RCW 36.70A.040. The following goals are not listed in order of priority and shall be used exclusively for the purpose of guiding the development of comprehensive plans and development regulations:

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- (1) Urban growth. Encourage development in urban areas where adequate public facilities and services exist or can be provided in an efficient manner.
- (2) Reduce sprawl. Reduce the inappropriate conversion of undeveloped land into sprawling, low-density development.
- (3) Transportation. Encourage efficient multimodal transportation systems that are based on regional priorities and coordinated with county and city comprehensive plans.
- (4) Housing. Encourage the availability of affordable housing to all economic segments of the population of this state, promote a variety of residential densities and housing types, and encourage preservation of existing housing stock.
- (5) Economic development. Encourage economic development throughout the state that is consistent with adopted comprehensive plans, promote economic opportunity for all citizens of this state, especially for unemployed and for disadvantaged persons, promote the retention and expansion of existing businesses and recruitment of new businesses, recognize regional differences impacting economic development opportunities, and encourage growth in areas experiencing insufficient economic growth, all within the capacities of the state's natural resources, public services, and public facilities.
- (6) Property rights. Private property shall not be taken for public use without just compensation having been made. The property rights of landowners shall be protected from arbitrary and discriminatory actions.
- 30 (7) Permits. Applications for both state and local government 31 permits should be processed in a timely and fair manner to ensure 32 predictability.
- 33 (8) Natural resource industries. Maintain and enhance natural 34 resource-based industries, including productive timber, agricultural, 35 and fisheries industries. Encourage the conservation of productive 36 forest lands and productive agricultural lands, and discourage 37 incompatible uses.

- 1 (9) Open space and recreation. Retain open space, enhance 2 recreational opportunities, conserve fish and wildlife habitat, 3 increase access to natural resource lands and water, and develop parks 4 and recreation facilities.
- 5 (10) Environment. Protect the environment and enhance the state's 6 high quality of life, including air and water quality, and the 7 availability of water. <u>Help achieve greenhouse gas emission reductions</u> 8 <u>established in RCW 70.235.020 through land use and transportation</u> 9 planning.
- 10 (11) Citizen participation and coordination. Encourage the 11 involvement of citizens in the planning process and ensure coordination 12 between communities and jurisdictions to reconcile conflicts.

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- (12) Public facilities and services. Ensure that those public facilities and services necessary to support development shall be adequate to serve the development at the time the development is available for occupancy and use without decreasing current service levels below locally established minimum standards.
- 18 (13) Historic preservation. Identify and encourage the 19 preservation of lands, sites, and structures, that have historical or 20 archaeological significance.
- 21 **Sec. 3.** RCW 36.70A.070 and 2005 c 360 s 2 are each amended to read 22 as follows:

The comprehensive plan of a county or city that is required or chooses to plan under RCW 36.70A.040 shall consist of a map or maps, and descriptive text covering objectives, principles, and standards used to develop the comprehensive plan. The plan shall be an internally consistent document and all elements shall be consistent with the future land use map. A comprehensive plan shall be adopted and amended with public participation as provided in RCW 36.70A.140.

Each comprehensive plan shall include a plan, scheme, or design for each of the following:

(1) A land use element designating the proposed general distribution and general location and extent of the uses of land, where appropriate, for agriculture, timber production, housing, commerce, industry, recreation, open spaces, general aviation airports, public utilities, public facilities, and other land uses. The land use element shall include population densities, building intensities, and

estimates of future population growth. The land use element shall provide for protection of the quality and quantity of groundwater used for public water supplies. Wherever possible, the land use element should consider utilizing urban planning approaches that promote physical activity. Where applicable, the land use element shall review drainage, flooding, and storm water run-off in the area and nearby jurisdictions and provide guidance for corrective actions to mitigate or cleanse those discharges that pollute waters of the state, including Puget Sound or waters entering Puget Sound. 

- (2) A housing element ensuring the vitality and character of established residential neighborhoods that: (a) Includes an inventory and analysis of existing and projected housing needs that identifies the number of housing units necessary to manage projected growth; (b) includes a statement of goals, policies, objectives, and mandatory provisions for the preservation, improvement, and development of housing, including single-family residences; (c) identifies sufficient land for housing, including, but not limited to, government-assisted housing, housing for low-income families, manufactured housing, multifamily housing, and group homes and foster care facilities; and (d) makes adequate provisions for existing and projected needs of all economic segments of the community.
- (3) A capital facilities plan element consisting of: (a) An inventory of existing capital facilities owned by public entities, showing the locations and capacities of the capital facilities; (b) a forecast of the future needs for such capital facilities; (c) the proposed locations and capacities of expanded or new capital facilities; (d) at least a six-year plan that will finance such capital facilities within projected funding capacities and clearly identifies sources of public money for such purposes; and (e) a requirement to reassess the land use element if probable funding falls short of meeting existing needs and to ensure that the land use element, capital facilities plan element, and financing plan within the capital facilities plan element are coordinated and consistent. Park and recreation facilities shall be included in the capital facilities plan element.
- 36 (4) A utilities element consisting of the general location, 37 proposed location, and capacity of all existing and proposed utilities,

including, but not limited to, electrical lines, telecommunication lines, and natural gas lines.

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- (5) Rural element. Counties shall include a rural element including lands that are not designated for urban growth, agriculture, forest, or mineral resources. The following provisions shall apply to the rural element:
  - (a) Growth management act goals and local circumstances. Because circumstances vary from county to county, in establishing patterns of rural densities and uses, a county may consider local circumstances, but shall develop a written record explaining how the rural element harmonizes the planning goals in RCW 36.70A.020 and meets the requirements of this chapter.
- (b) Rural development. The rural element shall permit rural development, forestry, and agriculture in rural areas. The rural element shall provide for a variety of rural densities, uses, essential public facilities, and rural governmental services needed to serve the permitted densities and uses. To achieve a variety of rural densities and uses, counties may provide for clustering, density transfer, design guidelines, conservation easements, and other innovative techniques that will accommodate appropriate rural densities and uses that are not characterized by urban growth and that are consistent with rural character.
- (c) Measures governing rural development. The rural element shall include measures that apply to rural development and protect the rural character of the area, as established by the county, by:
  - (i) Containing or otherwise controlling rural development;
- 27 (ii) Assuring visual compatibility of rural development with the 28 surrounding rural area;
  - (iii) Reducing the inappropriate conversion of undeveloped land into sprawling, low-density development in the rural area;
- 31 (iv) Protecting critical areas, as provided in RCW 36.70A.060, and 32 surface water and groundwater resources; and
- 33 (v) Protecting against conflicts with the use of agricultural, 34 forest, and mineral resource lands designated under RCW 36.70A.170.
- 35 (d) Limited areas of more intensive rural development. Subject to 36 the requirements of this subsection and except as otherwise 37 specifically provided in this subsection (5)(d), the rural element may

allow for limited areas of more intensive rural development, including necessary public facilities and public services to serve the limited area as follows:

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- (i) Rural development consisting of the infill, development, or redevelopment of existing commercial, industrial, residential, or mixed-use areas, whether characterized as shoreline development, villages, hamlets, rural activity centers, or crossroads developments.
- (A) A commercial, industrial, residential, shoreline, or mixed-use area shall be subject to the requirements of (d)(iv) of this subsection, but shall not be subject to the requirements of (c)(ii) and (iii) of this subsection.
- (B) Any development or redevelopment other than an industrial area or an industrial use within a mixed-use area or an industrial area under this subsection (5)(d)(i) must be principally designed to serve the existing and projected rural population.
- (C) Any development or redevelopment in terms of building size, scale, use, or intensity shall be consistent with the character of the existing areas. Development and redevelopment may include changes in use from vacant land or a previously existing use so long as the new use conforms to the requirements of this subsection (5);
- (ii) The intensification of development on lots containing, or new development of, small-scale recreational or tourist uses, including commercial facilities to serve those recreational or tourist uses, that rely on a rural location and setting, but that do not include new residential development. A small-scale recreation or tourist use is not required to be principally designed to serve the existing and projected rural population. Public services and public facilities shall be limited to those necessary to serve the recreation or tourist use and shall be provided in a manner that does not permit low-density sprawl;
- (iii) The intensification of development on lots containing isolated nonresidential uses or new development of isolated cottage industries and isolated small-scale businesses that are not principally designed to serve the existing and projected rural population and nonresidential uses, but do provide job opportunities for rural residents. Rural counties may allow the expansion of small-scale businesses as long as those small-scale businesses conform with the rural character of the area as defined by the local government

- according to RCW  $36.70A.030((\frac{14}{14})))$  (15). Rural counties may also 1 2 allow new small-scale businesses to utilize a site previously occupied by an existing business as long as the new small-scale business 3 conforms to the rural character of the area as defined by the local 4 government according to RCW  $36.70A.030((\frac{14}{14})))$  (15). Public services 5 and public facilities shall be limited to those necessary to serve the 6 7 isolated nonresidential use and shall be provided in a manner that does not permit low-density sprawl; 8
- 9 (iv) A county shall adopt measures to minimize and contain the 10 existing areas or uses of more intensive rural development, appropriate, authorized under this subsection. Lands included in such 11 12 existing areas or uses shall not extend beyond the logical outer 13 boundary of the existing area or use, thereby allowing a new pattern of 14 low-density sprawl. Existing areas are those that are clearly identifiable and contained and where there is a logical boundary 15 delineated predominately by the built environment, but that may also 16 17 include undeveloped lands if limited as provided in this subsection. The county shall establish the logical outer boundary of an area of 18 more intensive rural development. In establishing the logical outer 19 boundary the county shall address (A) the need to preserve the 20 21 character of existing natural neighborhoods and communities, (B) 22 physical boundaries such as bodies of water, streets and highways, and land forms and contours, (C) the prevention of abnormally irregular 23 24 boundaries, and (D) the ability to provide public facilities and public 25 services in a manner that does not permit low-density sprawl;
  - (v) For purposes of (d) of this subsection, an existing area or existing use is one that was in existence:

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- (A) On July 1, 1990, in a county that was initially required to plan under all of the provisions of this chapter;
- 30 (B) On the date the county adopted a resolution under RCW 36.70A.040(2), in a county that is planning under all of the provisions 32 of this chapter under RCW 36.70A.040(2); or
- (C) On the date the office of financial management certifies the county's population as provided in RCW 36.70A.040(5), in a county that is planning under all of the provisions of this chapter pursuant to RCW 36.70A.040(5).
  - (e) Exception. This subsection shall not be interpreted to permit

- in the rural area a major industrial development or a master planned resort unless otherwise specifically permitted under RCW 36.70A.360 and 36.70A.365.
  - (6) A transportation element that implements, and is consistent with, the land use element.
  - (a) The transportation element shall include the following subelements:
    - (i) Land use assumptions used in estimating travel;

- (ii) Estimated traffic impacts to state-owned transportation facilities resulting from land use assumptions to assist the department of transportation in monitoring the performance of state facilities, to plan improvements for the facilities, and to assess the impact of landuse decisions on state-owned transportation facilities;
  - (iii) Facilities and services needs, including:
- (A) An inventory of air, water, and ground transportation facilities and services, including transit alignments and general aviation airport facilities, to define existing capital facilities and travel levels as a basis for future planning. This inventory must include state-owned transportation facilities within the city or county's jurisdictional boundaries;
- (B) Level of service standards for all locally owned arterials and transit routes to serve as a gauge to judge performance of the system. These standards should be regionally coordinated <u>and must consider all transportation modes</u>, as applicable, in meeting regional transportation <u>demands</u>. In adopting level of service standards required under this <u>subsection</u> (6)(a)(iii)(B), jurisdictions <u>must also consider adopting</u> multimodal level of service standards;
- (C) For state-owned transportation facilities, level of service standards for highways, as prescribed in chapters 47.06 and 47.80 RCW, to gauge the performance of the system. The purposes of reflecting level of service standards for state highways in the local comprehensive plan are to monitor the performance of the system, to evaluate improvement strategies, and to facilitate coordination between the county's or city's six-year street, road, or transit program and the ((department-of-transportation's-six-year)) office of financial management's ten-year investment program((. The concurrency requirements of (b) of this subsection do not apply to transportation facilities and services of statewide significance-except for counties

- consisting of islands whose only connection to the mainland are state
  highways or ferry routes. In these island counties, state highways and
  ferry-route-capacity-must-be-a-factor-in-meeting-the-concurrency
  requirements in (b) of this subsection);
  - (D) Specific actions and requirements for bringing into compliance locally owned transportation facilities or services that are below an established level of service standard;
  - (E) Forecasts of ((traffic)) travel demand for at least ten years based on the adopted land use plan to provide information on the location, timing, and capacity needs of future growth;
  - (F) Identification of state and local system needs to meet current and future demands. Identified needs on state-owned transportation facilities must be consistent with the statewide multimodal transportation plan required under chapter 47.06 RCW;
    - (iv) Finance, including:

- (A) An analysis of funding capability to judge needs against probable funding resources;
  - (B) A multiyear financing plan based on the needs identified in the comprehensive plan, the appropriate parts of which shall serve as the basis for the six-year street, road, or transit program required by RCW 35.77.010 for cities, RCW 36.81.121 for counties, and RCW 35.58.2795 for public transportation systems. The multiyear financing plan should be coordinated with the ((six-year-improvement)) ten-year investment program developed by the ((department-of-transportation)) office of financial management as required by RCW 47.05.030;
  - (C) If probable funding falls short of meeting identified needs, a discussion of how additional funding will be raised, or how land use assumptions will be reassessed to ensure that level of service standards will be met;
  - (v) Intergovernmental coordination efforts, including an assessment of the impacts of the transportation plan and land use assumptions on the transportation systems of adjacent jurisdictions;
    - (vi) Demand-management strategies;
- (vii) Pedestrian and bicycle component to include collaborative efforts to identify and designate planned improvements for pedestrian and bicycle facilities and corridors that address and encourage enhanced community access ((and-promote)), connections between land uses and transportation modes, and the promotion of healthy lifestyles.

(b)(i) After adoption of the comprehensive plan by jurisdictions required to plan or who choose to plan under RCW 36.70A.040, local jurisdictions must adopt and enforce ordinances which prohibit development approval if the development causes the level of service on a locally owned transportation facility to decline below the standards adopted in the transportation element of the comprehensive plan, unless transportation improvements or strategies to accommodate the impacts of development are made concurrent with the development. These strategies must consider multimodal improvements or strategies, examples of which may include increased public transportation service, ride sharing programs, demand management, and other transportation systems management strategies.

- (ii) For the purposes of this subsection (6), "concurrent with the development" ((shall mean)) means that improvements or strategies are in place at the time of development, or that a financial commitment is in place to complete the improvements or strategies within six years.
- (iii) The concurrency requirements of this subsection (6)(b) do not apply to transportation facilities and services of statewide significance except for counties consisting of islands whose only connection to the mainland are state highways or ferry routes. In these island counties, state highway and ferry route capacity must be a factor in meeting the concurrency requirements of this subsection (6)(b).
- (c) The transportation element described in this subsection (6), and the six-year plans required by RCW 35.77.010 for cities, RCW 36.81.121 for counties, and RCW 35.58.2795 for public transportation systems, and the ten-year investment program required by RCW 47.05.030 for the state, must be consistent.
- (7) An economic development element establishing local goals, policies, objectives, and provisions for economic growth and vitality and a high quality of life. The element shall include: (a) A summary of the local economy such as population, employment, payroll, sectors, businesses, sales, and other information as appropriate; (b) a summary of the strengths and weaknesses of the local economy defined as the commercial and industrial sectors and supporting factors such as land use, transportation, utilities, education, workforce, housing, and natural/cultural resources; and (c) an identification of policies, programs, and projects to foster economic growth and development and to

address future needs. A city that has chosen to be a residential community is exempt from the economic development element requirement of this subsection.

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- (8) A park and recreation element that implements, and is consistent with, the capital facilities plan element as it relates to park and recreation facilities. The element shall include: (a) Estimates of park and recreation demand for at least a ten-year period; (b) an evaluation of facilities and service needs; and (c) an evaluation of intergovernmental coordination opportunities to provide regional approaches for meeting park and recreational demand.
- 11 (9) It is the intent that new or amended elements required after
  12 January 1, 2002, be adopted concurrent with the scheduled update
  13 provided in RCW 36.70A.130. Requirements to incorporate any such new
  14 or amended elements shall be null and void until funds sufficient to
  15 cover applicable local government costs are appropriated and
  16 distributed by the state at least two years before local government
  17 must update comprehensive plans as required in RCW 36.70A.130.
- 18 **Sec. 4.** RCW 36.70A.100 and 1990 1st ex.s. c 17 s 10 are each 19 amended to read as follows:
- 20 <u>(1)</u> The comprehensive plan of each county or city ((that-is))
  21 adopted pursuant to RCW 36.70A.040 shall be coordinated with, and
  22 consistent with, the comprehensive plans adopted pursuant to RCW
  23 36.70A.040 of other counties or cities with which the county or city
  24 has, in part, common borders or related regional issues.
- 25 (2) The applicable land use, transportation, and capital facilities
  26 comprehensive plan elements of each county or city planning under RCW
  27 36.70A.040 that is within the jurisdictional boundaries of a regional
  28 transportation planning organization subject to RCW 47.80.030(2) must
  29 be consistent with the applicable regional transportation plan adopted
  30 under RCW 47.80.030.
- 31 **Sec. 5.** RCW 36.70A.108 and 2005 c 328 s 1 are each amended to read 32 as follows:
- 33 (1) The transportation element required by RCW 36.70A.070 may 34 include, in addition to improvements or strategies to accommodate the 35 impacts of development authorized under RCW 36.70A.070(6)(b), 36 multimodal transportation improvements or strategies that are made

concurrent with the development. These transportation improvements or strategies may include, but are not limited to, measures implementing or evaluating:

- (a) Multiple modes of transportation with peak and nonpeak hour capacity performance standards for locally owned transportation facilities; ((and))
- (b) Modal performance standards meeting the peak and nonpeak hour capacity performance standards; and
- 9 <u>(c) Transit-oriented development or other compact development</u>
  10 <u>strategies. For purposes of this subsection (1)(c) the following</u>
  11 definitions apply:
  - (i) "Compact development" means an area designated for mixed-use, higher density development patterns that encourage walking, bicycling, and plans for a multimodal network that may include transit services and facilities; and
  - (ii) "Transit-oriented development" means a type of compact development that provides compact, walkable communities with densities that support transit service and have convenient access to transit systems with frequent peak travel period service.
    - (2) Nothing in this section or RCW 36.70A.070(6)(b) shall be construed as prohibiting a county or city planning under RCW 36.70A.040 from exercising existing authority to develop multimodal improvements or strategies to satisfy the concurrency requirements of this chapter.
- 24 (3) Nothing in this section is intended to affect or otherwise 25 modify the authority of jurisdictions planning under RCW 36.70A.040.
- **Sec. 6.** RCW 36.70A.130 and 2006 c 285 s 2 are each amended to read 27 as follows:
  - (1)(a) Each comprehensive land use plan and development regulations shall be subject to continuing review and evaluation by the county or city that adopted them. Except as otherwise provided, a county or city shall take legislative action to review and, if needed, revise its comprehensive land use plan and development regulations to ensure the plan and regulations comply with the requirements of this chapter according to the time periods specified in subsection (4) of this section.
  - (b) Except as otherwise provided, a county or city not planning under RCW 36.70A.040 shall take action to review and, if needed, revise

its policies and development regulations regarding critical areas and natural resource lands adopted according to this chapter to ensure these policies and regulations comply with the requirements of this chapter according to the time periods specified in subsection (4) of this section. Legislative action means the adoption of a resolution or ordinance following notice and a public hearing indicating at a minimum, a finding that a review and evaluation has occurred and identifying the revisions made, or that a revision was not needed and the reasons therefor.

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- (c) The review and evaluation required by this subsection may be combined with the review required by subsection (3) of this section. The review and evaluation required by this subsection shall include, but is not limited to, consideration of critical area ordinances and, if planning under RCW 36.70A.040, an analysis of the population allocated to a city or county from the most recent ten-year population forecast by the office of financial management.
- (d) Any amendment of or revision to a comprehensive land use plan shall conform to this chapter. Any amendment of or revision to development regulations shall be consistent with and implement the comprehensive plan.
- (2)(a) Each county and city shall establish and broadly disseminate to the public a public participation program consistent with RCW 36.70A.035 and 36.70A.140 that identifies procedures and schedules whereby updates, proposed amendments, or revisions of the comprehensive plan are considered by the governing body of the county or city no more frequently than once every year. "Updates" means to review and revise, if needed, according to subsection (1) of this section, and the time periods specified in subsection (4) of this section or in accordance with the provisions of subsections (5) ((and)), (8), and (9) of this section. Amendments may be considered more frequently than once per year under the following circumstances:
- (i) The initial adoption of a subarea plan that does not modify the comprehensive plan policies and designations applicable to the subarea;
- (ii) The adoption or amendment of a shoreline master program under the procedures set forth in chapter 90.58 RCW;
- 36 (iii) The amendment of the capital facilities element of a 37 comprehensive plan that occurs concurrently with the adoption or 38 amendment of a county or city budget; and

(iv) ((Until June 30, 2006, the designation of recreational lands under-RCW-36.70A.1701. A-county-amending-its-comprehensive-plan pursuant to this subsection (2)(a)(iv) may not do so more frequently than every eighteen months; and

- (v))) The adoption of comprehensive plan amendments necessary to enact a planned action under RCW 43.21C.031(2), provided that amendments are considered in accordance with the public participation program established by the county or city under this subsection (2)(a) and all persons who have requested notice of a comprehensive plan update are given notice of the amendments and an opportunity to comment.
- (b) Except as otherwise provided in (a) of this subsection, all proposals shall be considered by the governing body concurrently so the cumulative effect of the various proposals can be ascertained. However, after appropriate public participation a county or city may adopt amendments or revisions to its comprehensive plan that conform with this chapter whenever an emergency exists or to resolve an appeal of a comprehensive plan filed with a growth management hearings board or with the court.
- (3)(a) Each county that designates urban growth areas under RCW 36.70A.110 shall review, at least every ten years, its designated urban growth area or areas, and the densities permitted within both the incorporated and unincorporated portions of each urban growth area. In conjunction with this review by the county, each city located within an urban growth area shall review the densities permitted within its boundaries, and the extent to which the urban growth occurring within the county has located within each city and the unincorporated portions of the urban growth areas.
- (b) The county comprehensive plan designating urban growth areas, and the densities permitted in the urban growth areas by the comprehensive plans of the county and each city located within the urban growth areas, shall be revised to accommodate the urban growth projected to occur in the county for the succeeding twenty-year period. The review required by this subsection may be combined with the review and evaluation required by RCW 36.70A.215.
- (4) The department shall establish a schedule for counties and cities to take action to review and, if needed, revise their comprehensive plans and development regulations to ensure the plan and

- regulations comply with the requirements of this chapter. Except as provided in subsections (5) ((and)), (8), and (9) of this section, the schedule established by the department shall provide for the reviews and evaluations to be completed as follows:
- 5 (a) On or before December 1, 2004, and every seven years 6 thereafter, for Clallam, Clark, Jefferson, King, Kitsap, Pierce, 7 Snohomish, Thurston, and Whatcom counties and the cities within those 8 counties;
- 9 (b) On or before December 1, 2005, and every seven years 10 thereafter, for Cowlitz, Island, Lewis, Mason, San Juan, Skagit, and 11 Skamania counties and the cities within those counties;

- (c) On or before December 1, 2006, and every seven years thereafter, for Benton, Chelan, Douglas, Grant, Kittitas, Spokane, and Yakima counties and the cities within those counties; and
- (d) On or before December 1, 2007, and every seven years thereafter, for Adams, Asotin, Columbia, Ferry, Franklin, Garfield, Grays Harbor, Klickitat, Lincoln, Okanogan, Pacific, Pend Oreille, Stevens, Wahkiakum, Walla Walla, and Whitman counties and the cities within those counties.
- (5)(a) Nothing in this section precludes a county or city from conducting the review and evaluation required by this section before the time limits established in subsection (4) of this section. Counties and cities may begin this process early and may be eligible for grants from the department, subject to available funding, if they elect to do so.
- (b) A county that is subject to a schedule established by the department under subsection (4)(b) through (d) of this section and meets the following criteria may comply with the requirements of this section at any time within the thirty-six months following the date established in the applicable schedule: The county has a population of less than fifty thousand and has had its population increase by no more than seventeen percent in the ten years preceding the date established in the applicable schedule as of that date.
- (c) A city that is subject to a schedule established by the department under subsection (4)(b) through (d) of this section and meets the following criteria may comply with the requirements of this section at any time within the thirty-six months following the date established in the applicable schedule: The city has a population of

no more than five thousand and has had its population increase by the greater of either no more than one hundred persons or no more than seventeen percent in the ten years preceding the date established in the applicable schedule as of that date.

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- (d) State agencies are encouraged to provide technical assistance to the counties and cities in the review of critical area ordinances, comprehensive plans, and development regulations.
- (6) A county or city subject to the time periods in subsection (4)(a) of this section that, pursuant to an ordinance adopted by the county or city establishing a schedule for periodic review of its comprehensive plan and development regulations, has conducted a review and evaluation of its comprehensive plan and development regulations and, on or after January 1, 2001, has taken action in response to that review and evaluation shall be deemed to have conducted the first review required by subsection (4)(a) of this section. Subsequent review and evaluation by the county or city of its comprehensive plan and development regulations shall be conducted in accordance with the time periods established under subsection (4)(a) of this section.
- (7) The requirements imposed on counties and cities under this section shall be considered "requirements of this chapter" under the terms of RCW 36.70A.040(1). Only those counties and cities: (a) Complying with the schedules in this section; (b) demonstrating substantial progress towards compliance with the schedules in this section for development regulations that protect critical areas; or (c) complying with the extension provisions of subsection (5)(b) or (c) or (9) of this section may receive grants, loans, pledges, or financial guarantees from those accounts established in RCW 43.155.050 and 70.146.030. A county or city that is fewer than twelve months out of compliance with the schedules in this section for development regulations that protect critical areas is making substantial progress towards compliance. Only those counties and cities in compliance with the schedules in this section may receive preference for grants or loans subject to the provisions of RCW 43.17.250.
- (8) Except as provided in subsection (5)(b) and (c) of this section:
- 36 (a) Counties and cities required to satisfy the requirements of 37 this section according to the schedule established by subsection (4)(b) 38 through (d) of this section may comply with the requirements of this

section for development regulations that protect critical areas one year after the dates established in subsection (4)(b) through (d) of this section;

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- (b) Counties and cities complying with the requirements of this section one year after the dates established in subsection (4)(b) through (d) of this section for development regulations that protect critical areas shall be deemed in compliance with the requirements of this section; and
- (c) This subsection (8) applies only to the counties and cities specified in subsection (4)(b) through (d) of this section, and only to the requirements of this section for development regulations that protect critical areas that must be satisfied by December 1, 2005, December 1, 2006, and December 1, 2007.
- (9) Counties and cities specified in subsection (4)(a) of this section that are required to comply with this section on or before December 1, 2011, may do so at any time on or before December 1, 2013. Counties and cities that exercise this two-year deferral option and comply with this section on or before December 1, 2013, are in compliance with the requirements of this section.
- (10) Notwithstanding subsection (8) of this section and the substantial progress provisions of subsections (7) and (((10))) (11) of this section, only those counties and cities complying with the schedule in subsection (4) of this section, or the extension provisions of subsection (5)(b) or (c) or (9) of this section, may receive preferences for grants, loans, pledges, or financial guarantees from those accounts established in RCW 43.155.050 and 70.146.030.
- ((\(\frac{(10\)}{10}\))) (11) Until December 1, 2005, and notwithstanding subsection (7) of this section, a county or city subject to the time periods in subsection (4)(a) of this section demonstrating substantial progress towards compliance with the schedules in this section for its comprehensive land use plan and development regulations may receive grants, loans, pledges, or financial guarantees from those accounts established in RCW 43.155.050 and 70.146.030. A county or city that is fewer than twelve months out of compliance with the schedules in this section for its comprehensive land use plan and development regulations is deemed to be making substantial progress towards compliance.

**Sec. 7.** RCW 36.70A.200 and 2002 c 68 s 2 are each amended to read 2 as follows:

- (1) The comprehensive plan of each county and city that is planning under RCW 36.70A.040 shall include a process for identifying and siting essential public facilities. Essential public facilities include those facilities that are typically difficult to site, such as airports, state education facilities and state or regional transportation facilities as defined in RCW 47.06.140, regional transit authority facilities as defined in RCW 81.112.020, state and local correctional facilities, solid waste handling facilities, and in-patient facilities including substance abuse facilities, mental health facilities, group homes, and secure community transition facilities as defined in RCW 71.09.020.
- (2) Each county and city planning under RCW 36.70A.040 shall, not later than September 1, 2002, establish a process, or amend its existing process, for identifying and siting essential public facilities and adopt or amend its development regulations as necessary to provide for the siting of secure community transition facilities consistent with statutory requirements applicable to these facilities.
- (3) Any city or county not planning under RCW 36.70A.040 shall, not later than September 1, 2002, establish a process for siting secure community transition facilities and adopt or amend its development regulations as necessary to provide for the siting of such facilities consistent with statutory requirements applicable to these facilities.
- (4) The office of financial management shall maintain a list of those essential state public facilities that are required or likely to be built within the next six years. The office of financial management may at any time add facilities to the list.
- (5) No local comprehensive plan or development regulation may preclude the siting of essential public facilities.
- (6) No person may bring a cause of action for civil damages based on the good faith actions of any county or city to provide for the siting of secure community transition facilities in accordance with this section and with the requirements of chapter 12, Laws of 2001 2nd sp. sess. For purposes of this subsection, "person" includes, but is not limited to, any individual, agency as defined in RCW 42.17.020, corporation, partnership, association, and limited liability entity.

1 (7) Counties or cities siting facilities pursuant to subsection (2) or (3) of this section shall comply with RCW 71.09.341.

- (8) The failure of a county or city to act by the deadlines established in subsections (2) and (3) of this section is not:
- (a) A condition that would disqualify the county or city for grants, loans, or pledges under RCW 43.155.070 or 70.146.070;
- 7 (b) A consideration for grants or loans provided under RCW 8 43.17.250(2); or
- 9 (c) A basis for any petition under RCW 36.70A.280 or for any 10 private cause of action.
- **Sec. 8.** RCW 36.70A.500 and 1997 c 429 s 28 are each amended to 12 read as follows:
  - (1) The department ((of community, trade, and economic development)) shall provide management services for the fund created by RCW 36.70A.490. The department shall establish procedures for fund management. The department shall encourage participation in the grant program by other public agencies. The department shall develop the grant criteria, monitor the grant program, and select grant recipients in consultation with state agencies participating in the grant program through the provision of grant funds or technical assistance.
  - (2) A grant may be awarded to a county or city that is required to or has chosen to plan under RCW 36.70A.040 and that is qualified pursuant to this section. The grant shall be provided to assist a county or city in paying for the cost of preparing an environmental analysis under chapter 43.21C RCW, that is integrated with a comprehensive plan, subarea plan, plan element, county-wide planning policy, development regulation, monitoring program, or other planning activity adopted under or implementing this chapter that:
  - (a) Improves the process for project permit review while maintaining environmental quality; or
  - (b) Encourages use of plans and information developed for purposes of complying with this chapter to satisfy requirements of other state programs.
    - (3) In order to qualify for a grant, a county or city shall:
- 35 (a) Demonstrate that it will prepare an environmental analysis 36 pursuant to chapter 43.21C RCW and subsection (2) of this section that 37 is integrated with a comprehensive plan, subarea plan, plan element,

county-wide planning policy, development regulations, monitoring program, or other planning activity adopted under or implementing this chapter;

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- (b) Address environmental impacts and consequences, alternatives, and mitigation measures in sufficient detail to allow the analysis to be adopted in whole or in part by applicants for development permits within the geographic area analyzed in the plan;
- (c) Demonstrate that procedures for review of development permit applications will be based on the integrated plans and environmental analysis;
- (d) Include mechanisms to monitor the consequences of growth as it occurs in the plan area and to use the resulting data to update the plan, policy, or implementing mechanisms and associated environmental analysis;
- (e) Demonstrate substantial progress towards compliance with the requirements of this chapter. A county or city that is more than six months out of compliance with a requirement of this chapter is deemed not to be making substantial progress towards compliance; and
- (f) Provide local funding, which may include financial participation by the private sector.
- (4) In awarding grants, the department shall give preference to proposals that include one or more of the following elements:
  - (a) Furtherance of greenhouse gas emissions reduction requirements;
- (b) Financial participation by the private sector, or a public/private partnering approach;
- $((\frac{b}{b}))$  (c) Identification and monitoring of system capacities for elements of the built environment, and to the extent appropriate, of the natural environment;
- 29  $((\frac{(c)}{c}))$  <u>(d)</u> Coordination with state, federal, and tribal governments in project review;
- 31 ((<del>(d)</del>)) <u>(e)</u> Furtherance of important state objectives related to 32 economic development, protection of areas of statewide significance, 33 and siting of essential public facilities;
- ((<del>(e)</del>)) <u>(f)</u> Programs to improve the efficiency and effectiveness of the permitting process by greater reliance on integrated plans and prospective environmental analysis;
- 37  $((\frac{f}{f}))$  <u>(g)</u> Programs for effective citizen and neighborhood

involvement that contribute to greater likelihood that planning decisions can be implemented with community support; and

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- $((\frac{g}{g}))$  (h) Programs to identify environmental impacts and establish mitigation measures that provide effective means to satisfy concurrency requirements and establish project consistency with the plans.
- (5) If the local funding includes funding provided by other state functional planning programs, including open space planning and watershed or basin planning, the functional plan shall be integrated into and be consistent with the comprehensive plan.
- (6) State agencies shall work with grant recipients to facilitate state and local project review processes that will implement the projects receiving grants under this section.
- 14 (7) Counties and cities receiving more than two hundred fifty
  15 thousand dollars in grants in a calendar year from the fund established
  16 in RCW 36.70A.490, grants awarded under RCW 36.70A.190, or both, must
  17 apply to the Washington state quality award program for an assessment
  18 evaluation every three years.
- 19 <u>NEW SECTION.</u> **Sec. 9.** A new section is added to chapter 36.70A RCW 20 to read as follows:
  - (1) Comprehensive plans must encourage development along transit lines and at major transit stations at levels that support transit-oriented communities. These plans must also: (a) Encourage walking, bicycling, and reduced vehicle trips; (b) include design standards for streets, sidewalks, and buildings that encourage safe walking and bicycling; (c) provide for a no net loss of affordable housing, and an adequate supply of housing that is affordable to low-income households; and (d) promote mixed-use and mixed-income developments.
- 29 (2) For purposes of this section, "major transit station" means any 30 of the following within an urban growth area:
- 31 (a) Stations on a high capacity transportation system approved by 32 the voters and funded or expanded under chapter 81.104 RCW. For 33 purposes of this subsection (2), streetcars or streetcar systems are 34 not considered high capacity transportation systems;
- 35 (b) Stops on rail or fixed guideway systems, including transitways, 36 but excluding stops in a streetcar system;

- 1 (c) Stations on bus rapid transit routes that operate on exclusive 2 rights-of-way for sixty-five percent or more of a route. For purposes 3 of this subsection (2)(c), "exclusive rights-of-way" means a roadway or 4 guideway that exclusively serves bus, rail transit, or both, and is not 5 normally accessible by privately owned or commercial vehicles; and
- 6 (d) Stations on a light rail line that is fewer than two miles in length.
- 8 **Sec. 10.** RCW 47.80.030 and 2005 c 328 s 2 are each amended to read 9 as follows:
- 10 (1) Each regional transportation planning organization shall 11 develop in cooperation with the department of transportation, providers 12 of public transportation and high capacity transportation, ports, and 13 local governments within the region, adopt, and periodically update a 14 regional transportation plan that:
- 15 (a) Is based on a least cost planning methodology that identifies 16 the most cost-effective facilities, services, and programs;
  - (b) Identifies existing or planned transportation facilities, services, and programs, including but not limited to major roadways including state highways and regional arterials, transit and nonmotorized services and facilities, multimodal and intermodal facilities, marine ports and airports, railroads, and noncapital programs including transportation demand management that should function as an integrated regional transportation system, giving emphasis to those facilities, services, and programs that exhibit one or more of the following characteristics:
  - (i) Crosses member county lines;

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- (ii) Is or will be used by a significant number of people who live or work outside the county in which the facility, service, or project is located;
- 30 (iii) Significant impacts are expected to be felt in more than one 31 county;
- (iv) Potentially adverse impacts of the facility, service, program, or project can be better avoided or mitigated through adherence to regional policies;
- (v) Transportation needs addressed by a project have been identified by the regional transportation planning process and the remedy is deemed to have regional significance; and

(vi) Provides for system continuity;

- (c) Establishes level of service standards for state highways and state ferry routes, with the exception of transportation facilities of statewide significance as defined in RCW 47.06.140. These regionally established level of service standards for state highways and state ferries shall be developed jointly with the department of transportation, to encourage consistency across jurisdictions. In establishing level of service standards for state highways and state ferries, consideration shall be given for the necessary balance between providing for the free interjurisdictional movement of people and goods and the needs of local commuters using state facilities;
  - (d) Includes a financial plan demonstrating how the regional transportation plan can be implemented, indicating resources from public and private sources that are reasonably expected to be made available to carry out the plan, and recommending any innovative financing techniques to finance needed facilities, services, and programs;
  - (e) Assesses regional development patterns, capital investment and other measures necessary to:
  - (i) Ensure the preservation of the existing regional transportation system, including requirements for operational improvements, resurfacing, restoration, and rehabilitation of existing and future major roadways, as well as operations, maintenance, modernization, and rehabilitation of existing and future transit, railroad systems and corridors, and nonmotorized facilities; and
  - (ii) Make the most efficient use of existing transportation facilities to relieve vehicular congestion and maximize the mobility of people and goods;
  - (f) Sets forth a proposed regional transportation approach, including capital investments, service improvements, programs, and transportation demand management measures to guide the development of the integrated, multimodal regional transportation system. For regional growth centers, the approach must address transportation concurrency strategies required under RCW 36.70A.070 and include a measurement of vehicle level of service for off-peak periods and total multimodal capacity for peak periods; and
    - (g) Where appropriate, sets forth the relationship of high capacity

transportation providers and other public transit providers with regard to responsibility for, and the coordination between, services and facilities.

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- (2) Regional transportation planning organizations encompassing at least one county planning under RCW 36.70A.040 with two hundred forty-five thousand or more residents must adopt a regional transportation plan for those counties that implements the goals to reduce annual per capita vehicle miles traveled adopted under RCW 47.01.440.
- 9 (3) The organization shall review the regional transportation plan 10 biennially for currency and forward the adopted plan along with 11 documentation of the biennial review to the state department of 12 transportation.
- $((\frac{3}{3}))$   $(\frac{4}{3})$  All transportation projects, programs, and transportation demand management measures within the region that have an impact upon regional facilities or services must be consistent with the plan and with the adopted regional growth and transportation strategies.
- 18 **Sec. 11.** RCW 43.21C.240 and 2003 c 298 s 2 are each amended to 19 read as follows:
  - (1) If the requirements of subsection (2) of this section are satisfied, a county, city, or town reviewing a project action shall determine that the requirements for environmental analysis, protection, and mitigation measures in the county, city, or town's development regulations and comprehensive plans adopted under chapter 36.70A RCW, and in other applicable local, state, or federal laws and rules provide adequate analysis of and mitigation for the specific adverse environmental impacts of the project action to which the requirements apply. Rules adopted by the department according to RCW 43.21C.110 regarding project specific impacts that may not have been adequately addressed apply to any determination made under this section. In these situations, in which all adverse environmental impacts will be mitigated below the level of significance as a result of mitigation measures included by changing, clarifying, or conditioning of the proposed action and/or regulatory requirements of development regulations adopted under chapter 36.70A RCW or other local, state, or federal laws, a determination of nonsignificance or a mitigated determination of nonsignificance is the proper threshold determination.

1 (2) A county, city, or town shall make the determination provided 2 for in subsection (1) of this section if:

- (a) In the course of project review, including any required environmental analysis, the local government considers the specific probable adverse environmental impacts of the proposed action and determines that these specific impacts are adequately addressed by the development regulations or other applicable requirements of the comprehensive plan, subarea plan element of the comprehensive plan, or other local, state, or federal rules or laws; and
- (b) The local government bases or conditions its approval on compliance with these requirements or mitigation measures.
  - (3) If a county, city, or town's comprehensive plans, subarea plans, and development regulations adequately address a project's probable specific adverse environmental impacts, as determined under subsections (1) and (2) of this section, the county, city, or town shall not impose additional mitigation under this chapter during project review. Project review shall be integrated with environmental analysis under this chapter.
  - (4) A comprehensive plan, subarea plan, or development regulation shall be considered to adequately address an impact if the county, city, or town, through the planning and environmental review process under chapter 36.70A RCW and this chapter, has identified the specific adverse environmental impacts and:
    - (a) The impacts have been avoided or otherwise mitigated; or
  - (b) The legislative body of the county, city, or town has designated as acceptable certain levels of service, land use designations, development standards, or other land use planning required or allowed by chapter 36.70A RCW.
  - (5) In deciding whether a specific adverse environmental impact has been addressed by an existing rule or law of another agency with jurisdiction with environmental expertise with regard to a specific environmental impact, the county, city, or town shall consult orally or in writing with that agency and may expressly defer to that agency. In making this deferral, the county, city, or town shall base or condition its project approval on compliance with these other existing rules or laws.
- (6) Nothing in this section limits the authority of an agency in

- its review or mitigation of a project to adopt or otherwise rely on environmental analyses and requirements under other laws, as provided by this chapter.
- 4 (7) A project action that is consistent with the applicable
  5 comprehensive plan and development regulations may not be challenged
  6 for noncompliance under this chapter due to greenhouse gas emissions
  7 if:
- 8 (a) The county, city, or town in which the project action is
  9 located has prepared an environmental impact statement under RCW
  10 43.21C.030 for the area covered by the comprehensive plan or subarea
  11 plan that includes a greenhouse gas emissions analysis;
- 12 <u>(b) The county, city, or town in which the project action is</u>
  13 <u>located has adopted a comprehensive plan or subarea plan and</u>
  14 <u>development regulations that comply with subsections (3) and (4) of</u>
  15 this section;
- (c) The development authorized by the comprehensive plan and development regulations will reduce greenhouse gas emissions in accordance with RCW 70.235.020, and per capita vehicle miles traveled in accordance with RCW 47.01.440;
- 20 (d) The project action complies with the definition of compact 21 development in RCW 36.70A.108; and
  - (e) The project action is located in an urban growth area.

- 23 (8) This section shall apply only to a county, city, or town planning under RCW 36.70A.040.
- NEW SECTION. Sec. 12. A new section is added to chapter 43.21C RCW to read as follows:
- Cities and towns authorizing compact development in accordance with RCW 36.70A.108(1)(c)(i) or participating in a regional transfer of development rights program under chapter 43.362 RCW may impose environmental fees on development activity as part of the financing for environmental review under this chapter. For purposes of this section, "development activity" has the same meaning as defined in RCW 82.02.090(1). Environmental fees imposed under this section:
- 34 (1) May only be for: (a) A subarea plan for which the impacts of 35 compact development have been addressed by the applicable city or town; 36 or (b) a regional transfer of development rights program receiving area

for which the impacts of development within the receiving area have 1 2 been addressed by the applicable city or town;

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- (2) May only be for environmental review costs that have been identified as reasonably related to the new development;
- (3) May not exceed a proportionate share of the environmental review costs financed under RCW 36.70A.500, if any, or the costs of 7 environmental review and holding costs that would have been borne by the development if no environmental review had occurred; and
- 9 (4) Must be used to repay a loan authorized under RCW 36.70A.500, if applicable. 10
- NEW SECTION. Sec. 13. A new section is added to chapter 81.112 11 12 RCW to read as follows:
- (1) An authority that intends to dispose of land under RCW 13 81.112.080(3) that is located within one-quarter mile walking distance 14 of a major transit station must provide qualifying public or nonprofit 15 16 entities an opportunity of first offer to develop the land. 17 purposes of this section and section 14 of this act, "major transit station" has the same meaning as defined in section 9(2) of this act. 18 For purposes of this section, a "qualifying public or nonprofit entity" 19 is an entity that: (a) Is eliqible for assistance from the housing 20 21 trust fund established in chapter 43.185 RCW; (b) certifies that it 22 will seek assistance from the housing trust fund for development of the land in the next application round for the fund; and (c) meets other 23 24 financial and development requirements of the authority. The authority may provide that any agreement with a qualifying public or nonprofit 25 entity be contingent upon receipt of a funding award within a 26 reasonable period of time, be subject to approval by a federal granting 27 agency, or include such other contingencies that the authority may 28 29 reasonably require.
- (2) Nothing in this section is intended to conflict with state or 30 31 federal requirements or to require an authority to take any action that the authority reasonably determines would cause it to forego or repay 32 federal funding or forego incentives to develop property around transit 33 34 stations.
- 35 NEW SECTION. Sec. 14. A new section is added to chapter 81.112 36 RCW to read as follows:

(1) An authority may donate air rights over any authority-owned parking facility that is associated with a major transit station to a qualifying public or nonprofit entity for the development of housing units. For purposes of this section, a "qualifying public or nonprofit entity" is an organization that:

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- (a) Is eligible for assistance from the housing trust fund established in chapter 43.185 RCW;
- (b) Certifies that it will seek financial assistance from the program for development of the land or air rights in the next application round; and
- 11 (c) Meets other financial and development requirements of the 12 authority.
  - (2) The authority may provide that any agreement with a qualifying public or nonprofit organization be contingent upon receipt of a funding award within a reasonable period of time, be subject to approval by a federal granting agency, or include such other contingencies that the authority may reasonably require. In addition, if the development within the donated air rights will increase the costs of or require modifications to the parking facility, the qualifying public or nonprofit entity must, as a condition to the donation of the air rights, agree to pay or provide for the payment of those costs or modifications.
  - (3) Nothing in this section is intended to conflict with state or federal requirements or to require an authority to take any action that the authority reasonably determines would cause it to forego or repay federal funding or to forego incentives to develop property around transit stations.
- (4) The donation of air rights under this section will encourage the development of transit-oriented development, increase transit ridership, and is declared to be a proper purpose of and for the benefit of an authority that makes such a donation.
- 32 <u>NEW SECTION.</u> **Sec. 15.** A new section is added to chapter 35.58 RCW 33 to read as follows:
- 34 (1) A metropolitan municipal corporation that intends to dispose of 35 land that is located within one-quarter mile walking distance of a 36 major transit station must provide qualifying public or nonprofit 37 entities an opportunity of first offer to develop the land. For

purposes of this section and section 16 of this act, "major transit 1 2 station" has the same meaning as defined in section 9(2) of this act. For purposes of this section, a "qualifying public or nonprofit entity" 3 is an entity that: (a) Is eligible for assistance from the housing 4 5 trust fund established in chapter 43.185 RCW; (b) certifies that it will seek assistance from the housing trust fund for development of the 6 7 land in the next application round for the fund; and (c) meets other financial and development requirements of the metropolitan municipal 8 corporation. The metropolitan municipal corporation may provide that 9 any agreement with a qualifying public or nonprofit entity be 10 contingent upon receipt of a funding award within a reasonable period 11 of time, be subject to approval by a federal granting agency, or 12 13 include such other contingencies that the metropolitan municipal

corporation may reasonably require.

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- (2) Nothing in this section is intended to conflict with state or federal requirements or to require a metropolitan municipal corporation to take any action that the metropolitan municipal corporation reasonably determines would cause it to forego or repay federal funding or forego incentives to develop property around transit stations.
- NEW SECTION. Sec. 16. A new section is added to chapter 35.58 RCW to read as follows:
  - (1) A metropolitan municipal corporation may donate air rights over any parking facility owned by the metropolitan municipal corporation that is associated with a major transit station to a qualifying public or nonprofit entity for the development of housing units. For purposes of this section, a "qualifying public or nonprofit entity" is an organization that:
- 28 (a) Is eligible for assistance from the housing trust fund 29 established in chapter 43.185 RCW;
  - (b) Certifies that it will seek financial assistance from the program for development of the land or air rights in the next application round; and
  - (c) Meets other financial and development requirements of the metropolitan municipal corporation.
- 35 (2) The metropolitan municipal corporation may provide that any 36 agreement with a qualifying public or nonprofit organization be 37 contingent upon receipt of a funding award within a reasonable period

of time, be subject to approval by a federal granting agency, or 1 include such other contingencies that the metropolitan municipal 2 corporation may reasonably require. In addition, if the development 3 within the donated air rights will increase the costs of or require 4 modifications to the parking facility, the qualifying public or 5 nonprofit entity must, as a condition to the donation of the air 6 7 rights, agree to pay or provide for the payment of those costs or modifications. 8

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- (3) Nothing in this section is intended to conflict with state or federal requirements or to require a metropolitan municipal corporation to take any action that the metropolitan municipal corporation reasonably determines would cause it to forego or repay federal funding or to forego incentives to develop property around transit stations.
- (4) The donation of air rights under this section will encourage the development of transit-oriented development, increase transit ridership, and is declared to be a proper purpose of and for the benefit of a metropolitan municipal corporation that makes such a donation.
- NEW SECTION. Sec. 17. A new section is added to chapter 36.57A RCW to read as follows:
  - (1) Public transportation benefit areas that intend to dispose of land that is located within one-quarter mile walking distance of a major transit station must provide qualifying public or nonprofit entities an opportunity of first offer to develop the land. purposes of this section and section 18 of this act, "major transit station" has the same meaning as defined in section 9(2) of this act. For purposes of this section, a "public transportation benefit area" or "benefit area" means a public transportation benefit area serving areas in a county having a population of more than six hundred thousand residents, but fewer than one million. For purposes of this section, a "qualifying public or nonprofit entity" is an entity that: (a) Is eligible for assistance from the housing trust fund established in chapter 43.185 RCW; (b) certifies that it will seek assistance from the housing trust fund for development of the land in the next application round for the fund; and (c) meets other financial and development requirements of the benefit area. The public transportation benefit area may provide that any agreement with a qualifying public or

nonprofit entity be contingent upon receipt of a funding award within a reasonable period of time, be subject to approval by a federal granting agency, or include such other contingencies that the benefit area may reasonably require.

(2) Nothing in this section is intended to conflict with state or federal requirements or to require a public transportation benefit area to take any action that the benefit area reasonably determines would cause it to forego or repay federal funding or forego incentives to develop property around transit stations.

NEW SECTION. Sec. 18. A new section is added to chapter 36.57A RCW to read as follows:

- (1) Public transportation benefit areas may donate air rights over any parking facility owned by the benefit area that is associated with a major transit station to a qualifying public or nonprofit entity for the development of housing units. For purposes of this section, a "public transportation benefit area" or "benefit area" means a public transportation benefit area serving areas in a county having a population of more than six hundred thousand residents, but fewer than one million. For purposes of this section, a "qualifying public or nonprofit entity" is an organization that:
- 21 (a) Is eligible for assistance from the housing trust fund 22 established in chapter 43.185 RCW;
  - (b) Certifies that it will seek financial assistance from the program for development of the land or air rights in the next application round; and
  - (c) Meets other financial and development requirements of the benefit area.
  - (2) The public transportation benefit area may provide that any agreement with a qualifying public or nonprofit organization be contingent upon receipt of a funding award within a reasonable period of time, be subject to approval by a federal granting agency, or include such other contingencies that the benefit area may reasonably require. In addition, if the development within the donated air rights will increase the costs of or require modifications to the parking facility, the qualifying public or nonprofit entity must, as a condition to the donation of the air rights, agree to pay or provide for the payment of those costs or modifications.

(3) Nothing in this section is intended to conflict with state or federal requirements or to require a public transportation benefit area to take any action that the benefit area reasonably determines would cause it to forego or repay federal funding or to forego incentives to develop property around transit stations.

- (4) The donation of air rights under this section will encourage the development of transit-oriented development, increase transit ridership, and is declared to be a proper purpose of and for the benefit of a public transportation benefit area that makes such a donation.
- NEW SECTION. Sec. 19. A new section is added to chapter 36.33 RCW to read as follows:
  - (1) Each county legislative authority must establish and maintain a transit-oriented housing fund for the purpose of funding qualifying housing projects. All receipts from gifts, grants, endowments from public or private sources, in trust or otherwise, and other designated public and private sources must be deposited in the fund. The legislature may also appropriate moneys into the fund. Expenditures may only be used for:
  - (a) Developing residential housing within single, multifamily, or mixed-use developments that are: (i) Located within one-half mile of a major transit stop; and (ii) affordable to a person or household with an income that is less than eighty percent of the median household income, adjusted for household size, for the county in which the residential housing is located;
  - (b) Purchasing real property or development rights in accordance with (a) of this subsection; and
  - (c) The administration of this section by the county and by lead agencies or entities designated in accordance with this section.
  - (2)(a) Each county legislative authority must designate a lead agency or entity to administer the fund established in subsection (1) of this section. Lead agencies and entities may either be:
- 33 (i) A city or county housing authority created under chapter 35.82 34 RCW; or
- 35 (ii) An organization that is eligible to receive financial assistance under RCW 43.185.060.

- 1 (b) Lead agencies or entities designated under (a) of this 2 subsection may:
- 3 (i) Purchase, rent, lease, sell, or operate residential housing 4 that complies with subsection (1)(a) of this section;
  - (ii) Provide for the construction, reconstruction, improvement, alteration, or repair of any residential housing, or part thereof, that complies with subsection (1)(a) of this section; and
- 8 (iii) Perform all other duties and actions deemed necessary and 9 appropriate to implement this section.
- 10 (3) Public and nonprofit organizations receiving more than two 11 hundred fifty thousand dollars in a calendar year from the fund 12 established in subsection (1) of this section must apply to the 13 Washington state quality award program for an assessment evaluation 14 every three years.
- NEW SECTION. **Sec. 20.** Sections 1 through 5 and 7 through 19 of this act take effect December 1, 2011.
- NEW\_SECTION. Sec. 21. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected."
- 21 Correct the title.

- <u>EFFECT:</u> (1) Modifies provisions of the environment goal of the Growth Management Act (GMA) to specify that one aspect of the goal is to help achieve greenhouse gas emission reductions in accordance with certain reduction requirements through land use and transportation planning.
- (2) Specifies that comprehensive plans must, rather than should, encourage development along transit lines and at major transit stations at levels that support transit-oriented communities. These plans must also encourage walking, include design standards, provide for no net loss of affordable housing, and promote mixed-use and mixed income developments.
  - (3) Defines major transit station.
- (4) Removes a provision authorizing transportation benefit districts to extend sales and use taxes beyond a current ten-year limit without voter approval.

- (5) Specifies that the applicable land use, transportation, and capital facilities plan elements of each qualifying county or city within the jurisdictional boundaries of a regional transportation planning organization that must implement goals to reduce annual per capita vehicle miles traveled, must be consistent with the applicable regional transportation plan.
- (6) Grants qualifying counties and cities two additional years to complete specific review and revision requirements of the GMA.
- (7) Makes this two-year extension provision effective 90 days after adjournment of the session in which the bill is enacted.
- (8) Deletes provisions allowing the Department of Community, Trade, and Economic Development to make loans from the Planning and Environmental Review Fund.
- (9) Specifies that counties and cities receiving more than \$250,000 in total financial assistance in a calendar year from the Planning and Environmental Review Fund, comprehensive plan grants awarded under the GMA, or both, must apply to the Washington State Quality Award Program (WSQA) for an assessment evaluation every three years.
- (10) Removes specific public notice requirements for regional transportation plans that must be made by a regional transportation planning organization.
- (11) Specifies that cities and towns authorizing qualifying compact development, rather than compact development in designated centers, may impose environmental fees under the State Environmental Policy Act (SEPA).
- (12) Modifies criteria that must be met for a project action to be immune from certain noncompliance challenges pertaining to greenhouse gas emissions under the SEPA.
- (13) Specifies that regional transit authorities intending to dispose of land located within one-quarter mile walking distance of a major transit station, rather than one-half mile, must provide qualifying entities an opportunity of first offer to develop the land.
- (14) Inserts land disposal notice requirements and air rights donation provisions for metropolitan municipal corporations and certain public transportation benefit areas.
- (15) Specifies that county legislative authorities must establish and maintain a transit-oriented housing (TOH) fund for the purpose of funding qualifying housing, rather than development projects.
- (16) Modifies the income affordability requirements for residential housing produced from the TOH fund.
- (17) Specifies that public and nonprofit organizations receiving more than \$250,000 in a calendar year from the TOH fund must apply to the WSQA for an assessment evaluation every three years.
  - (18) Adds a severability clause.
  - (19) Adds intent language.

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